

THE AGRICULTURAL SITUATION.

A BRIEF SUMMARY OF ECONOMIC CONDITIONS

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS,
UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.



Vol. VIII, No. 6.

December 1, 1925.

HIGHER FOODS - LOWER FEEDS

Broadly speaking, the food and fiber crops are faring relatively better in the markets this fall than are the feed crops. The consuming world seems to have greater purchasing power for agriculture's finished products than does agriculture for its own raw materials. Wheat, potatoes, fruit, and cotton, for example, are selling at price levels relatively above corn, hay, oats, and barley. Many corn growers, in particular, are facing an unprofitable outcome on their chief money crop.

Nor is this situation a product of ill adjustments in acreage. Corn acreage last spring was increased 1.5 per cent over 1924, then the weather increased the crop by nearly 600 million bushels, but even so it is only about an average crop. Potato acreage was reduced 5.7 per cent and then the weather slashed the crop 100 million bushels below last year. Cotton acreage was increased 9 per cent and the weather boosted the crop about 1 2/3 million bales. Consumers are apparently able to bid for potatoes; cotton exports in October nearly doubled over previous Octobers; but where are the bidders for corn?

The livestock situation pieces out the picture. Hog production, which can most readily respond, is evidently under some stimulus this fall. But cattle have not moved into the feed lots in the volume that low corn prices might suggest and the eastern dairy industry, as indicated by returns from the new census, has reduced numbers, especially of young stock. In short, the present levels of price advantage lie first with food and fiber crops, next with the animals that are quick converters of grain, and least with the feed grains and roughage.

In general, agriculture is in the markets this fall with a well adjusted output of products. It is selling to as prosperous a domestic community as we often see. But even this combination of circumstances is bringing farmers a purchasing power decidedly short of parity with industrial groups. Discouragement seems to center more or less in the Corn Belt.

KEY REGIONS AT A GLANCE

THE EAST - Field work wound up for winter except for some plowing and related corn husking. Some potatoes caught in ground by cold snap last month. New census figures reveal reductions in dairy young stock, a development that will affect production a year or two hence. Young stock in New England around 25 per cent below 1920 numbers; similar reduction in New York.

THE SOUTH - Cotton picking nearing end. Rains last month delayed harvest and lowered grade of considerable cotton in fields. Bad weather likewise been a handicap to truck planting. Early truck crops making fair progress. Winter cereals and pastures doing well as a rule. Cotton Belt generally stands to show fairly profitable season outside of drought regions of extreme east and west.

CORN BELT - Much discouragement at low price of corn among men who grow it as a money crop. Movement of stocker and feeder cattle to feed lots surprisingly light. Many short fed cattle moving back to market. Apparently disposition to feed hogs to heavier weights. Region taking note of decline in pork exports, however. General sentiment not as optimistic as was forecasted earlier from improvement in livestock prices.

WHEAT BELT - Closing up outdoor work on feed crops. Some plowing in north. Winter wheat growing and stooling well; looks fine, even in southwest where it is finishing much needed pasture. Movement of grain to market has tapered off as usual, but partly due to bad roads and weather. Wheat Belt generally reflects further improvement in financial conditions except where crop failed.

RANGE COUNTRY - Much stock on feed in north but winter ranges have been generally open and excellent from Wyoming southward. Beets and other irrigated crops harvested and mostly good. Some loss of alfalfa seed and beans in north. New census returns indicate only moderate reduction in cattle numbers since 1920. Difficulties of cattlemen lessened but by no means ended.

PACIFIC COAST - Whole region too dry, with consequent handicap to growth of winter wheat in north and planting of winter crops farther south. Streams low; pastures only fair. Harvest of beans, rice, etc. about over in California; cotton picking delayed somewhat by labor shortage. Picking navel oranges in central districts.

THE TREND OF CROP PRODUCTION

	1913 Production	Production 5-Year Av. 1920-1924	1924 Production	1925 Production (Preliminary)
	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
Winter wheat, bu.	523	592	590	416
Spring wheat, bu.	240	245	283	281
All wheat, bu.	763	837	873	697
Corn, bu.	2,447	2,935	2,437	3,013
Oats, bu.	1,122	1,328	1,542	1,470
Flaxseed, bu.	18	15.3	30.2	22.3
Cotton, bales	14.1	10.9	13.6	15.29
Rice, bu.	25.7	39.8	34.0	35.8
Potatoes, white, bu.	332	418	455	347
Sweet potatoes, bu.	59	96.2	71.9	81
Tobacco, lbs.	954	1,331	1,241	1,264
Hay, all, tons	64	107	112	98
Apples, total, bu.	145	181	179	171
Apples, commercial, bbls.	---	30.4	28.6	31.3
Grain sorghums, bu.	---	112	114	93.5

Composite crops yield per acre 0.4 per cent below 10-year average, but 1.5 per cent above last year.

Per capita production 0.8 per cent below last year and 3.3 per cent below average of previous five years.

AVERAGE PRICES OF FARM PRODUCTS RECEIVED BY PRODUCERS

October 15, 1925.

Actual prices received by producers at local farm markets as reported to the Division of Crop and Livestock Estimates of this Bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

	5-yr. Av. Aug. 1909- July, 1914	Oct. Av. Aug. 1909- July, 1914	Oct. 1924	Sept. 1925	Oct. 1925
Cotton, per lb.	¢ 12.4	12.1	23.1	22.5	21.5
Corn, per bu.	¢ 64.2	64.8	108.9	98.8	83.0
Wheat, per bu.	¢ 88.4	88.1	129.7	144.4	136.4
Hay, per ton	\$ 11.87	11.49	12.64	12.42	12.47
Potatoes, per bu.	¢ 69.7	65.0	68.8	121.1	125.6
Oats, per bu.	¢ 39.9	38.4	48.9	38.1	37.2
Beef cattle, per 100 lbs.	\$ 5.22	5.09	5.52	6.27	6.31
Hogs, per 100 lbs.	\$ 7.23	7.37	9.45	11.50	11.16
Eggs, per dozen	¢ 21.5	23.8	38.2	31.1	37.7
Butter, per lb.	¢ 25.5	26.1	38.8	41.1	44.2
Butterfat, per lb.	¢ ----	----	36.6	42.6	47.1
Wool, per lb.	¢ 17.7	16.9	37.3	37.8	37.2
Veal calves, per 100 lbs.	\$ 6.75	6.80	8.22	9.07	9.52
Lambs, per 100 lbs.	\$ 5.91	5.35	10.35	11.95	12.04
Horses	\$142.00	140.00	77.00	76.86	76.42

Weekly average hog prices at Chicago have been from 55 cents to \$2.46 higher than for corresponding weeks last year. The Iowa farm price of hogs was \$10.30 per cwt. November 15, \$10.90 October 15, and \$8.50 a year ago. In four of the past six years the lowest prices to the first of the year at Chicago have come in November. The fall peak of hog prices came three weeks earlier this fall than last. The Iowa farm price of beef cattle dropped from \$9.30 in October to \$8.30 in November as compared with \$7.50 a year ago.

Corn prices are working lower as new corn reaches the market. The Iowa farm price of corn was 61 cents November 15 as compared with 70 cents October 15 and 95 cents a year ago. The average price of all classes and grades sold at 5 markets declined from 82 cents for the week ending October 16 to 76 cents for the week ending November 20. Oat prices have remained about the same as a month ago in the State of Iowa but are 10 cents under a year ago. Wheat prices are working upward from the season's low point of early October; the North Dakota farm price increased from \$1.24 in October to \$1.29 in November as compared with \$1.29 last year; the Kansas farm price increased from \$1.43 to \$1.47 with \$1.27 last year. Potato prices in New York and Maine reached the highest point on record for the month of November. The New York State farm price of potatoes was \$2.23 November 15, \$1.30 October 15 and 53 cents last year.

PRICE INDEXES FOR SEPTEMBER AND OCTOBER, 1925.

Farm products figures from this Bureau; commodity groups from Bureau of Labor Statistics, (latter shown to nearest whole number.) Shows year ago, and latest available month:

Farm Products

(Prices at the farm, Aug. 1909 - July 1914 = 100.)

	Oct. 1924	Sept. 1925	Oct. 1925	Month Trend
Cotton	186	181	173	Lower
Corn	170	154	129	Lower
Wheat	147	163	154	Lower
Hay	106	105	105	Unchanged
Potatoes	99	174	180	Higher
Beef cattle	106	121	121	Unchanged
Hogs	131	159	154	Lower
Eggs	178	145	175	Higher
Butter	152	161	173	Higher
Wool	210	212	209	Lower

Commodity Groups

(Wholesale Prices; 1910-1914 = 100.) ^{1/}

	Oct. 1924	Sept. 1925	Oct. 1925	Month Trend
Farm products	149	160	155	Lower
Food, etc.	151	159	156	Lower
Cloths & clothing	192	193	193	Unchanged
Fuel & lighting	188	196	199	Higher
Metal & met. products	136	136	137	Higher
Bldg. materials	176	179	179	Unchanged
Chemicals, etc.	131	134	133	Lower
House-furnishing goods	177	173	174	Higher
<u>ALL COMMODITIES</u>	155	163	160	Lower

^{1/} Bureau of Labor Statistics index numbers converted to 1910-1914 base.

RELATIVE PURCHASING POWER

(At October 1925 Farm Prices)

Aug. 1909 - July, 1914 = 100

In terms of:	Of a Unit of:				
	Cotton	Corn	Wheat	Hay	Potatoes
All commodities	108	81	96	65	112
Cloths, etc.	90	67	80	54	93
Fuel, etc.	87	65	77	53	90
Metals, etc.	126	94	113	77	131
Bldg. Materials	97	72	86	59	101
House-furnishing goods	100	74	89	60	104

	Beef Cattle	Hogs	Eggs	Butter	Wool
All commodities	76	96	109	108	130
Cloths, etc.	63	80	91	90	108
Fuel, etc.	61	77	88	87	105
Metals, etc.	88	112	123	126	152
Bldg. materials	68	86	98	97	117
House-furnishing goods	70	89	101	100	120

Lower prices of cotton, wheat, corn and oats during October are responsible for a slight drop in the general index of farm prices. With farm prices at 143 and non-agricultural wholesale prices at 164, the purchasing power of farm products for October stood at 87, the lowest this year and exactly where it stood a year ago.

Farm prices for November are not yet available, but market price movements indicate that the loss of 7 per cent in the relative exchange value of farm products during the past two months has not been regained. Still lower prices of cotton and corn during November largely offset the seasonal advances in dairy and poultry prices.

GENERAL BUSINESS INDICATORS
RELATED TO AGRICULTURE

	1924 Oct.	1925 Sept.	1925 Oct.	Month's Trend
<u>PRODUCTION</u>				
Pig iron daily (Thou. tons)	81	95	98	Increase
Bituminous coal (Millions tons)	48	47	53	Increase
Automobiles shipped (Thou. carloads)	35	51	57	Increase
<u>CONSUMPTION</u>				
Cotton by mills (Thou. bales)	534	483	544	Increase
Unfilled orders Steel Corp. (Thou. T.)	3,525	3,717	4,109	Increase
Building contracts (Millions dollars)	345	463	443	Decrease
Hogs slaughtered (Thousands)	2,525	1,645	2,081	Increase
Cattle " "	1,432	1,227	1,450	Increase
Sheep " "	1,020	981	945	Decrease
<u>MOVEMENTS</u>				
Bank clearings (N.Y.) (Billions dollars)	22	22	26	Increase
Car loadings (Thousands)	5,455	4,297	5,537	Increase
Mail order sales (Millions dollars)	41	35	52	Increase
Men employed, N. Y. State Factories (Thou)	495	500	510	Increase
Av. price 25 indus. stocks (Dollars)	117	163	174	Increase
Interest rate (4-6 mo. paper, N. Y.)	3.13	4.19	4.40	Increase
Retail Food Price Index (Dept. Labor)*	149	159	162	Higher
Wholesale Price Index (Dept. Labor)*	152	160	158	Lower

So far as fundamental conditions go, well-informed men still judge the business outlook as strong and healthy. Production of basic commodities is heavy; distribution is active; retail trade is strong. The building boom is still on, though not quite so rampant as a year ago. There are, however, some surface indications of another nature. The securities markets have reacted sharply from their speculative peak; several Federal Reserve Banks have raised their rediscount rates; the coal industry is upset; the building trades in several cities are talking strike or higher wages. But for the present, the picture is one of continued industrial prosperity.

Agriculture continues to meet resistance in the high level of industrial wages and charges. The domestic market is a good one to sell in but a hard one for farmers to buy in.

* 1913=100

GENERAL TREND OF WAGES AND PRICES

1910-1914 =100

Year and Month	General Wage Level	Farm Wages 2/	Retail Price of Food 1/	Wholesale Price of Food 1/	Wholesale Price All Commodities
	N.Y. factory workers				Bureau of Labor Statistics
1910	---	97	96	100	103
1911	---	97	95	96	95
1912	---	101	101	103	101
1913	---	104	103	99	102
1914 (June)	100	101	106	101	100
1915	101	102	104	104	103
1916	114	112	117	120	129
1917	129	140	151	166	180
1918	160	176	174	187	198
1919	185	206	192	205	210
1920	222	239	210	218	230
1921	203	150	158	143	150
1922	197	146	146	137	152
1923	214	166	151	143	156
1924	218	166	150	143	152

1924

January	219	159	154	142	154
February	218	---	152	142	154
March	222	---	148	140	153
April	218	163	146	136	151
May	217	---	145	136	150
June	214	---	147	135	147
July	213	168	148	138	150
August	216	---	149	143	152
September	221	---	151	147	152
October	217	171	153	151	155
November	218	---	155	153	155
December	222	---	156	157	160

1925

January	223	156	159	159	163
February	220	---	156	156	164
March	224	---	158	158	164
April	218	163	155	153	159
May	221	---	156	152	158
June	220	---	160	154	160
July	220	170	165	156	163
August	222	---	165	158	163
September	223	---	164	159	163
October	225	173	167	157	160

1/ Bureau of Labor Statistics index numbers converted to 1910-1914 base.

2/ Index based on both monthly and daily wages.

GENERAL BUSINESS INDICATORS
RELATED TO AGRICULTURE

	1924 Oct.	1925 Sept.	1925 Oct.	Month's Trend
PRODUCTION				
Pig iron daily (Thou. tons)	81	95	98	Increase
Bituminous coal (Millions tons)	48	47	53	Increase
Automobiles shipped (Thou. carloads)	35	51	57	Increase
CONSUMPTION				
Cotton by mills (Thou. bales)	534	483	544	Increase
Unfilled orders Steel Corp. (Thou. T.)	3,525	3,717	4,109	Increase
Building contracts (Millions dollars)	345	463	443	Decrease
Hogs slaughtered (Thousands)	2,525	1,645	2,081	Increase
Cattle " "	1,432	1,227	1,450	Increase
Sheep " "	1,020	981	945	Decrease
MOVEMENTS				
Bank clearings (N.Y.) (Billions dollars)	22	22	26	Increase
Car loadings (Thousands)	5,455	4,297	5,537	Increase
Mail order sales (Millions dollars)	41	35	52	Increase
Men employed, N. Y. State Factories (Thou)	495	500	510	Increase
Av. price 25 indus. stocks (Dollars)	117	163	174	Increase
Interest rate (4-6 mo. paper, N. Y.)	3.13	4.19	4.40	Increase
Retail Food Price Index (Dept. Labor)*	149	159	162	Higher
Wholesale Price Index (Dept. Labor)*	152	160	158	Lower

So far as fundamental conditions go, well-informed men still judge the business outlook as strong and healthy. Production of basic commodities is heavy; distribution is active; retail trade is strong. The building boom is still on, though not quite so rampant as a year ago. There are, however, some surface indications of another nature. The securities markets have reacted sharply from their speculative peak; several Federal Reserve Banks have raised their rediscount rates; the coal industry is upset; the building trades in several cities are talking strike or higher wages. But for the present, the picture is one of continued industrial prosperity.

Agriculture continues to meet resistance in the high level of industrial wages and charges. The domestic market is a good one to sell in but a hard one for farmers to buy in.

* 1913=100

GENERAL TREND OF WAGES AND PRICES

1910-1914 =100

Year and Month	General Wage Level	Farm Wages 2/	Retail Price of Food 1/	Wholesale Price of Food 1/	Wholesale Price All Commodities
	N.Y. factory workers				Bureau of Labor Statistics
1910	---	97	96	100	103
1911	---	97	95	96	95
1912	---	101	101	103	101
1913	---	104	103	99	102
1914(June)	100	101	106	101	100
1915	101	102	104	104	103
1916	114	112	117	120	129
1917	129	140	151	166	180
1918	160	176	174	187	198
1919	185	206	192	205	210
1920	222	239	210	218	230
1921	203	150	158	143	150
1922	197	146	146	137	152
1923	214	166	151	143	156
1924	218	166	150	143	152
<u>1924</u>					
January	219	159	154	142	154
February	218	---	152	142	154
March	222	---	148	140	153
April	218	163	146	136	151
May	217	---	145	136	150
June	214	---	147	135	147
July	213	168	148	138	150
August	216	---	149	143	152
September	221	---	151	147	152
October	217	171	153	151	155
November	218	---	155	153	155
December	222	---	156	157	160
<u>1925</u>					
January	223	156	159	159	163
February	220	---	156	156	164
March	224	---	156	158	164
April	218	163	155	153	159
May	221	---	156	152	158
June	220	---	160	154	160
July	220	170	165	156	163
August	222	---	165	158	163
September	223	---	164	159	163
October	225	173	167	157	160

1/ Bureau of Labor Statistics index numbers converted to 1910-1914 base.

2/ Index based on both monthly and daily wages.

NEW INDEX OF GENERAL TREND OF PRICES
On Five-Year Base, August, 1909 - July, 1914 = 100

Year and Month	Index numbers of farm prices							Wholesale Prices of Non-Agricultural Commodities 1/	Relative purchasing power of Farmer's Product 2/
	Grains	Fruits and Vegetables	Meat Animals	Dairy & Poultry Products	Cotton and Cotton-seed	Unclassified	All Groups 30 Items		
1910	104	91	103	101	113	102	103	102	101
1911	96	106	87	95	101	103	95	96	99
1912	106	110	95	103	87	106	99	100	99
1913	92	92	108	100	97	94	100	105	95
1914	103	100	112	101	85	95	102	97	105
1915	120	83	104	99	78	95	100	101	99
1916	126	123	120	106	119	100	117	138	85
1917	217	202	133	133	187	130	176	182	97
1918	226	162	202	160	245	157	200	188	107
1919	231	189	206	182	247	162	209	199	105
1920	231	249	173	197	248	152	205	241	85
1921	112	148	108	151	101	90	116	167	69
1922	105	152	113	135	156	94	124	168	74
1923	114	136	106	147	216	109	135	171	79
1924	129	124	109	137	211	100	134	162	83
1924									
Sept.	140	113	115	133	175	100	132	158	83
Oct.	150	109	121	142	182	102	138	158	87
Nov.	147	108	115	150	179	106	137	160	86
Dec.	155	110	113	158	176	102	139	163	85
1925									
Jan.	172	122	123	154	182	94	146	165	88
Feb.	178	131	126	142	183	96	146	167	88
Mar.	172	138	145	134	195	94	151	165	91
Apr.	152	146	146	131	189	94	147	162	90
May	159	162	139	132	184	87	146	161	90
June	164	184	139	132	183	86	148	163	91
July	152	178	148	134	186	88	149	164	91
Aug.	157	178	149	139	186	96	152	164	93
Sept.	148	142	143	141	178	90	144	163	88
Oct.	135	152	141	154	171	90	143	164	87

1/ Computed by Bureau of Labor Statistics from wholesale prices of all commodities except those from United States farms. 1910-1914 = 100. 2/ The value of a unit of the farmer's product in exchange for non-agricultural products at wholesale prices, compared with pre-war values. Obtained by dividing index of all groups (30 items) by index of wholesale prices of non-agricultural products.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets, compiled by this Bureau. All figures given to nearest thousand, that is, three ciphers omitted:

Month	WHEAT Receipts Th. bu.	CORN Receipts Th. bu.	HOGS Receipts Thousands	CATTLE Receipts Thousands	SHEEP Receipts Thousands	BUTTER Receipts Th. lbs.
1920 Total	332,314	210,332	42,121	22,197	23,538	406,290
1921 "	435,606	340,908	41,101	19,787	24,168	472,011
1922 "	413,106	378,598	44,068	23,218	22,364	530,601
1923 "	386,430	271,858	55,330	23,211	22,025	549,207
1924 "	482,007	278,719	55,414	23,695	22,201	591,439
*1920 Oct.	43,823	18,434	2,789	2,209	3,027	27,955
1921 "	42,014	34,444	3,214	2,311	3,042	37,929
1922 "	49,097	31,247	3,682	2,936	3,311	34,622
1923 "	38,380	15,104	4,816	2,802	3,465	38,558
1924 "	83,090	17,950	3,990	2,737	3,295	42,220
1925 Jan.	23,247	35,820	6,105	1,869	1,467	38,118
" Feb.	18,493	20,833	4,558	1,530	1,388	35,421
" Mar.	16,925	23,868	3,528	1,860	1,504	41,027
" Apr.	10,023	9,810	3,247	1,827	1,541	42,559
" May	17,896	11,935	3,283	1,737	1,683	57,276
" June	20,465	17,381	3,507	1,746	1,603	74,597
" July	37,919	9,662	2,798	1,970	1,699	70,395
" Aug.	41,928	17,488	2,549	2,245	2,064	57,996
" Sept.	57,756	12,889	2,741	2,157	2,627	45,310
" Oct.	34,111	12,187	3,390	2,789	3,198	43,806

Movement of grain relatively light during October (partly due to very bad weather).

Movement of hogs somewhat lighter and cattle and sheep about like same month in recent years.

Butter movement a little heavier than in recent years.

*Note: Figures for 1920 and 1921 based on 11 markets. All others on 13 markets.

THE TREND OF EXPORT MOVEMENT

Compiled from Department of Commerce reports by Division of Statistical Research of this Bureau.

Month	WHEAT including flour	TOBACCO (Leaf)	BACON** HAMS AND SHOULDERS	LARD	TOTAL* MEATS	COTTON# running bales
	1,000 Bushels	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Bales
1920 Total	307,630	467,662	821,922	612,250	1,043,500	6,111
1921 "	355,661	515,353	647,680	868,942	786,280	6,385
1922 "	232,302	430,908	631,452	766,950	733,832	6,015
1923 "	171,928	474,500	828,890	1,035,382	958,472	5,224
1924 "	238,256	546,555	637,980	944,095	729,832	6,653
1920 Oct.	43,033	39,394	58,627	54,174	70,079	582
1921 "	25,211	43,465	35,711	56,886	44,059	866
1922 "	25,077	58,353	50,940	66,333	60,651	797
1923 "	18,652	44,948	72,341	76,378	83,183	770
1924 "	53,464	56,227	45,365	60,813	52,817	942
1925 January	12,928	35,446	56,169	78,440	65,705	1,052
" February	11,612	23,806	48,041	60,363	55,438	792
" March	16,202	32,475	53,853	63,281	62,016	708
" April	12,721	30,850	33,413	44,447	39,303	440
" May	12,976	22,415	33,475	71,135	38,977	314
" June	10,758	27,460	39,690	59,799	45,398	211
" July	8,789	39,037	35,472	49,414	40,990	198
" August	11,832	34,890	31,770	45,740	38,251	313
" September	12,992	50,694	32,900	60,646	40,230	750
" October	8,910	52,784	30,706	44,745	37,071	1,414

* Includes fresh, canned and pickled beef, bacon, hams and shoulders; fresh, canned, and pickled pork; fresh mutton and lamb.

Excludes linters.

** Includes Cumberland and Wiltshire sides.

COLD STORAGE SITUATION

November 1 holdings (Shows nearest million, six figures omitted):

<u>Commodity</u>	<u>5-Year Average</u>	<u>Year Ago</u>	<u>Month Ago</u>	<u>November 1, 1935.</u>
Creamery butter, lbs.	93	135	114	95
American cheese, lbs.	52	68	79	72
Case eggs, cases	5,171*	5,267*	8,612*	6,320*
Total poultry, lbs.	38	55	44	54
Total beef, lbs.	70	67	41	48
Total pork, lbs.	428	408	467	392
Lard, lbs.	40	32	72	37
Lamb & mutton, lbs.	12.9	3.2	1.1	1.5
Total meats, lbs.	568	536	562	486

Country drawing on its stored stocks of dairy products and eggs.

Stocks of pork products also showed a seasonable reduction during October, while beef and lamb showed some seasonal increases.

Stored stocks of dairy and poultry products above average; meats below average.

*Thousands, or three figures, omitted.

THE DAIRY SITUATION

November passes without any outstanding developments in the dairy situation, although for the butter group there is a growing interest in what is doing in foreign countries. For some time there has been occasional talk about the possibility of imports of butter, particularly from the rapidly expanding dairy countries south of the equator. Early in the month a heavy shipment of New Zealand butter reached San Francisco, and it is now reported that several thousand boxes are afloat from Argentine to New York. These shipments were not the cause of concern, but nevertheless they did not pass unnoticed. Considerable of the New Zealand butter was put in storage pending favorable price developments. The Argentine shipment comes in consignment. On the whole, however, the foreign situation has remained firm and sufficiently high in relation to domestic prices plus the tariff to have precluded the possibility of imports of any consequence.

Butter prices are subject to daily fluctuation under prevailing methods of buying and selling, and this together with the fact that a third or more of total domestic production is converted into butter, makes butter price changes of paramount interest and importance. November is marked by some rather sharp changes, although as they are analyzed they do not appear particularly significant. By the middle of the month a gain of 3 cents has been made over the October closing price, but this was later lost and without the market losing any of its apparent firmness.

One feature of the price situation which is of interest is the comparison with a year ago. At the close of October, prices were 9 cents higher than last year, but as the month of November progressed this difference narrowed and was but 3 cents at the time of this writing. It will be recalled that in 1924 substantial increases in butter prices occurred from the middle of October through the entire month of November. High prices have continued to stimulate current production as is shown by receipts at markets which during November will probably be as much as 10 per cent heavier than last year. This increase, however, must be discounted somewhat on account of intermarket shipments of storage butter.

Current cheese production is apparently no heavier than last year, although for the year it will likely show a slight gain. Condensed milk production in October was almost identical with that of September, with neither month showing any material increase over 1924.

Turning to the other source of available supplies, stocks on hand, we find that on November 1 storage holdings of butter were approximately 30 per cent lighter, American cheese 6 per cent heavier and canned milk about 5 per cent heavier than last year. Unless export conditions change, domestic trade will have to almost entirely absorb storage reserves as well as current production, but there is no feeling prevalent which even suggests that this can not be done. All dairy products have moved fairly well despite high prices, which factor as much as any other is responsible for dairy markets pretty generally being in what may be termed a satisfactory condition.

L. M. Davis,

Division of Dairy and Poultry Products, B.A.E.

DAIRY SITUATION

Stocks on hand - November 1 - United States

	In Cold Storage		In Manufacturers' Hands	
	Butter	Cheese*	Cond. & Evap. Milk	Powdered Milk(2)
1925	94,983	90,891	185,58	17,417
1924	135,018	88,043	179,46	012,146
Change	- 40,035	+ 2,848	+ 6,121	- 4,729
Per cent change	- 29.7	+ 3.2	+ 3.4	- 38.9
Change from 5 year average	- 2.1	+ 31.8	--	--

* All Types.(2) Includes Skim Milk, and Cream Powder.

RECEIPTS OF BUTTER AND CHEESE

	Butter at 4 Principal Markets*		Am. Cheese at Wis. Warehouses	
	October	Jan.-Oct. Inc.	October	Jan.-Oct. Inc.
1925	41,552	482,047	24,222	250,657
1924	40,414	504,946	23,290	242,877
Change	+ 1,138	- 22,899	- 932	+ 7,780
Per cent change	+ 2.8	- 4.6	- 4.0	+ 3.2

*New York, Chicago, Philadelphia and Boston

NET IMPORTS AND EXPORTS - OCTOBER

	Butter	Cheese	Cond. and Evap. Milk	Powdered Milk(1)
1925 - October	24 Im.	6,466 Im.	10,218 Ex.	453 Im.
1924 - October	2,518 Ex.	6,896 Im.	21,907 Ex.	1,033 Ex.
Jan.-Oct. 1925	1,752 Im.	40,778 Im.	135,435 Ex.	1,743 Im.
Jan.-Oct. 1924	11,342 Im.	44,343 Im.	174,362 Ex.	2,558 Ex.

(1) Includes Skim Powder.

BUTTER SUMMARY FOR JANUARY - October INC.

	1925	1924	Change in 1925	% of Change
In cold storage Jan. 1.	65,657	30,299	+ 35,358	+ 116.7
Production:				
Creamery (Est.) 10 mo.	1,130,500	1,195,834	- 65,334	- 5.46
Farm (Est.) 10 mo.	516,486	524,580	- 8,094	- 1.54
Net imports (Jan.- Oct.)	1,752	11,342	- 9,590	- 84.5
TOTAL	1,714,395	1,762,055	- 47,660	- 2.7
In Cold Storage October 1	94,983	135,018	- 40,035	- 29.7
Apparent consumption during Jan. - Oct.	1,619,412	1,627,037	- 7,625	- 0.5
App. consumption - Oct.	163,609	161,158	+ 2,451	+ 1.5

T. R. Pirtle,

Division of Dairy and Poultry Products, B. A. E.

THE POULTRY AND EGG SITUATION

As November draws to a close, interest in the egg situation centers on winter production as this will play an important part in the price situation and the disposal of the remaining stocks of storage eggs. Receipts at the principal markets, which ran slightly behind last year in October, were also slightly less during the first three weeks of November. This resulted in higher prices for most grades of fresh and a greater swing toward the use of storage eggs with a little more strength on this class of goods. However, the movement of the storage product, while greater than last year, has not been sufficient, in view of a surplus of over a million cases on November first, to give promise of moving the bulk of the stocks remaining at any considerable advance in price and the market on refrigerators was weaker again toward the end of the month. At that time receipts began to run heavier than in 1924, this being particularly true of nearby whites and Pacific Coast eggs at New York. A scarcity of fancy brown eggs at that market has caused them to advance rapidly during the month and to sell at higher prices than white eggs. The low point in receipts and the high point in prices have apparently been reached or passed, but cold and snowy weather would doubtless cause a firmer situation and might result in temporarily higher prices.

The market on both live and dressed poultry has been active, as is usual to Thanksgiving. Turkeys, ducks and geese have been in greatest demand at higher prices than last year. Turkeys have sold for close to 10 cents higher on expectation of a shorter crop, but supplies have been ample to take care of the demand for the Thanksgiving market and there was a slight weakening tendency at the close.

Receipts of dressed poultry at the principal markets are running well up to last year. While considerable stock is going to the freezers, consumption is apparently better and storage stocks are not accumulating quite so rapidly as a year ago when the prevalence of disease was causing serious restriction in the use of poultry. A considerable proportion of the stock arriving is of ordinary to poor quality and is not selling very well, but stock of fine quality is finding a ready outlet at well maintained prices.

R. R. Slocum,
Division of Dairy and Poultry Products, B.A.E.

POULTRY AND EGG SITUATION.
(Thousands, i.e. 000 omitted)
Stocks in Storage - November 1 1925 United States

	Shell eggs (Cases)	Frozen eggs (Pounds)	Dressed poultry (Pounds)
1925	6,320	45,333	53,724
1924	5,267	26,633	55,139
Change	+ 1,053	+ 18,700	- 1,415
Per cent	+ 20.0	+ 70.2	- 2.6
% change from 5-yr. av.	+ 22.2	+ 57.2	+ 40.1

Imports and Exports of Poultry and Eggs - January 1, to October 31. 1925.

	Imports	1925	1924	Exports	1925	1924
Shell eggs (dozens)		558	334		21,125	24,395
Whole eggs, dried (Lbs.)		825	680)			
Whole eggs, frozen (Lbs.)		9,447	2,605)			
Yolks, dried (Lbs.)		5,176	3,737)		223	481
Yolks, frozen (Lbs.)		4,478	2,664)			
Egg albumen, dried (Lbs.)		3,642	2,561)			
Egg albumen, frozen, prepared or preserved (lbs.)		3,119	656)			
Live poultry, (Lbs.)		836	618		617	686
Dressed poultry (Lbs.)		1,479	1,271	(1)	4,915	(1)3,845
Poultry, canned or prepared (Lbs.)		286	362	(2)	-	63

(1) Includes game.

(2) Not separately stated.

Receipts and Apparent Trade Output at Four Markets - Eggs (Cases)

	Receipts	OCTOBER Net storage Movement	App. trade Output	Receipts	JAN. 1 - OCT. 31 Net storage Movement	App. trade Output
1925	661	-807	1,468	13,835	+ 1,995	11,840
1924	696	-762	1,458	13,763	+ 1,286	12,477
Change	- 35		+ 10	+ 72		- 637
Per cent	- 5.		+ .7	+ .5		- 5.1

Receipts and Apparent Trade Output at Four Markets - Dressed Poultry (Lbs.)

	Receipts	OCTOBER Net storage Movement	App. trade output	Receipts	JAN. 1 - OCT. 31 Net storage Movement	App. trade output
1925	27,259	+ 5,734	21,525	190,077	- 54,510	244,587
1924	26,982	+ 8,837	18,145	218,219	- 26,057	244,276
Change	+ 277		+ 3,380	-28,142		+ 311
Per cent	+ 1.		+ 18.6	- 12.9		+ .1

POTATO MARKET SITUATION

After losing one-fourth to one-half of the great October rise, potato prices began to start upward again in a hesitating manner. The situation is rather critical. Briefly, the country-wide potato price level had risen from about \$2 per 100 pounds late in September to \$4 the last of October, and then slipped back to about \$3.50 toward the end of November. A great many buyers and sellers are waiting at such times to see what happens before taking action, and the markets become dull, stocks accumulate, and shipments decrease. While the high price plainly discounts a great deal of crop shortage, there is uneasiness regarding the extent of present injury and the probability of foreign competition.

The increase of some 2 million bushels reported in November represented mostly better yield in Pennsylvania, West Virginia and Ohio, partly offset by losses in New York, the Dakotas, and various other States. Further loss by freezing and rot appears to have been serious according to scattered local reports since the November estimate. Considerable partly frozen or decayed stock is received in city markets. There is always more or less small and poor stock offered in times of high prices. Potato shipments have decreased rapidly since the middle of November, partly because of oversupply at the great terminal markets.

Earlier uncertainty over the prospect of heavy potato imports appears to have passed. Europe's heavy production is shut out of our markets, at present, by the disease quarantine and there appears to be no likelihood of a modification of the quarantine regulations. This leaves only Canada as a source of possible supply at this time. Judging from past years when shortage prevailed in Canada also, we are likely to receive no more than moderately heavy supplies from that source. In 1911 Canada and the United States each had about the same production per capita as now, and the tariff then was nearly as high. Canada shipped us only a few hundred carloads. In the equally short crop year of 1916 Canada exported some 2,000 carloads. In our most recent very short potato year (1919), Canada had a large crop and exported about 10,000 cars, but there was no tariff barrier that year. This year Canada, like the United States, has only a three-fourths crop; also there is a 50 cent tariff and rather high freight cost. Under such conditions potato exports to the United States would be expected to total much less than in 1919, although possibly more than in other short years because no important quantity can be drawn from Europe. As a rule, Canada has not often sent out much over 5,000 carloads to all countries combined. The per capita home consumption for eating, feeding and waste even in a year of shortage seems to be far greater in Canada than that of the United States.

If Canada should ship us somewhere-between the 2,000 cars of the 1916 season and the 10,000 cars in the 1919 season, the total would be only about enough for our city market a week or so. Canadian stock, including ship cargoes, has been coming lately at the rate of about 300 cars a week, or 4 per cent to 5 per cent of the recent weekly supply. If that rate were to be kept up for a season or 25 weeks, the total would equal 7,500 carloads - not more than enough for the yearly supply of a large city market - but heavy Canadian arrivals at such convenient markets as Boston and New York sometimes have considerable effect on local prices.

If there were no quarantine, it is likely that great quantities of potatoes would be rushed in from the British Isles, France, Holland, Belgium, and other countries. Our combined receipts of foreign stock might then equal or exceed the 20,000 carloads of 1911, which was by far the greatest year of potato imports. It appears that none of the European potato regions has been able to show a clean bill of potato health. It is apparently the task of the North American potato countries to make the most of their short crops, including careful storage, and marketing of the other vegetables which may partly take the place of potatoes.

G. B. Fiske,
Division of Fruits and Vegetables, B.A.E.

THE FEED GRAIN MARKET OUTLOOK

The corn crop this year is now estimated at about 3,130,000,000 bushels, an increase of 575,000,000 bushels over last year's production. Relatively less corn may be available for market, however, than the production figures alone indicate, as a large part of the increase will be required to replenish farm stocks and meet the increased feeding demand which likely will develop as a result of the more profitable market prices prevailing for livestock and dairy products.

While the corn crop is much larger than last year, the total supply is 25,000,000 bushels smaller than the average for the past 5 years and smaller than the supply of any other year except last year during these 5 years. Farm stocks on November 1 were only about 61,000,000 bushels, and stocks in the principal markets totaled less than 2,000,000 bushels.

While the number of hogs on the farms is about 10 per cent less than last year the ratio of corn to hog prices is distinctly favorable for feeding hogs for market, and an increased amount of corn will very likely be fed as it will be profitable to feed hogs to heavier weights than last year. If prices continue favorable, the number of spring pigs may be increased so that a large amount of corn may be required for summer and fall feeding until another crop is produced. Cattle also will probably be fed more grain, and beef cattle will be better finished than last year. The prices of dairy products have advanced, which should encourage more feeding of grain to dairy cattle.

The supply of other feed grains which may be used to supplement the corn crop is no larger than last year, and feeding since harvest before the new corn was available is likely to have been heavier than during the same period last year. The supply of oats, including stocks on farms and in commercial channels on August 1, was about 22,000,000 bushels smaller than last year. Marketings have been heavier, however, and indications are that larger amounts have passed into consuming channels as a result of the relatively low prices. Stocks in the markets, while large, have shown no increase since the first of October, and exports to date have totaled about 20,000,000 bushels or about twice the total amount exported last year.

The barley crop was nearly 40,000,000 bushels above the 1924 production but about half of the increase was in California where last year's crop was a near failure. Larger crops in Europe have lowered export prices, and exports to the middle of November totaled 20,750,000 bushels or within a million of last year's total exports. But little more barley, therefore, will be available for feeding and marketing in the Central West during the remainder of the crop year than last year.

Dry weather in the Southwest reduced the grain sorghum crop nearly 21,000,000 bushels. The supply of other feed grains and forage was also materially reduced by the drought in that territory which will probably increase the demand in the central western markets for both corn and oats.

The expected early movement of new corn has been delayed by rain and unfavorable weather over a large part of the Grain Belt, with the result that stocks have become very small while arrivals of new corn contain excessive moisture and in most instances must be dried before it is in condition to pass into consuming channels. The quality has deteriorated in some sections and this will also have the effect of reducing the available supply. When the demand and supply situation of all feed grains is fully considered it does not appear that the moderate increase in the corn supply should overburden the market.

G. A. Collier,
Division of Hay, Feed, and Seed, B. A. E.

SUPPLY SITUATION IN CATTLE AND HOGS

Preliminary returns from the 1925 census have been published complete for 16 States. County figures representing from 40 to 98 per cent of all cattle reported in the State in 1920 have been released for 28 States. In the remaining 4 States, published county figures represent from 15 to 29 per cent of the cattle in those States in the previous census. For the country as a whole, the published figures represent territory having 70 per cent of the cattle enumerated in 1920. These figures show a probable reduction of slightly over 5 million head as compared with the 1920 enumeration. The surprising feature, however, in these census returns is that the 27 States which in 1920 were shown to have dairy cattle comprising more than 50 per cent of all the cattle in the State show the greatest decrease, namely a total of 3,655,000 head or 12.7 per cent of the 28,779,000 reported in 1920. The 21 States whose cattle were classed as more than 50 per cent beef cattle in 1920 show a total decrease of only 1,392,000 head, or 3.65 per cent of the 37,872,000 they had in 1920. The 27 dairy cattle States, with the exception of Arkansas, Minnesota and Washington, are east of the Mississippi River while the 21 beef cattle States, with the exception of Florida and West Virginia, are west thereof.

Inspection of the published county figures for some of the dairy States shows that the decrease has been mainly in cattle classed as "other dairy cattle" and "other beef cattle" rather than in dairy cows. In other words, it appears that the greatest reduction has been in young dairy stock and in the inferior beef cattle found in many dairy sections. The fact that market receipts of calves have been heavy during the past two years, especially in the dairy sections, tends to explain the census figures and supports the conclusion drawn.

One of the most puzzling features of the present cattle situation is the attitude of Corn Belt feeders in making purchases of feeder cattle for further finishing. Notwithstanding a big corn crop with a combination of low prices for corn and high prices for finished cattle, there has been no heavy movement of stockers and feeders from the markets to the country. It is possible that the direct movement from the range to feed lots has increased, but no information is available to that effect. In 1922 and in 1923, both years of big corn crops, the stocker and feeder movement from all public stockyards during the four months July to October, inclusive, numbered more than 2.1 million head. In 1924 with the smallest corn crop in over 20 years it amounted to 1.8 million head, whereas this year it amounts to slightly more than 1.7 million. The movement in the first 3 weeks in November from 12 markets shows no increasing tendency to buy feeders. The spread be-

tween prices of stockers and feeders and prices of high grade fat cattle this fall was never greater, thus indicating possibilities of good profits to the cattle feeder. Two reasons advanced for the decreased demand for stockers and feeders this year were dry pastures and relatively high prices for corn which prevailed until early fall. However, with these conditions reversed, there seems to be no stimulation in the demand for feeders. Reports indicate that many of the feeders taken to the country are being returned to market after a short feed, so it would appear that no large supply of fed cattle is in sight for next winter and spring. This is one of the features of the present situation which indicates good prices for finished cattle during the first half of 1926. It should not be overlooked, however, that Texas may have a large supply of fat grass cattle for market during the late spring as range conditions in that State are the best in several years.

The reduction in hog production with increased prices for pork no doubt has been a material factor in such price improvement as has taken place in the cattle industry and as further reduction in supplies of pork are anticipated until the fall of 1926, prospects would appear to favor the cattleman from the standpoint of pork competition for at least another year.

The 1925 pig crop is indicated to be at least 10 million head less than that in 1923 and 3.5 million less than in 1924. Based on average dressed yields of hogs and cattle slaughtered under Federal inspection during the four years, 1921-1924, a carcass of beef is equivalent in weight to 3.05 hog carcasses. Hence it would require nearly 1,150,000 head of average weight cattle to offset this decrease in hogs.

However, it is possible that supplies of pork products for domestic consumption in 1926 may be as large as in 1925 in spite of the smaller number of hogs. If still higher prices of products reduce exports as much in 1926 from the exports of 1925 as they did in 1925 from the exports in 1924, the supplies remaining for domestic consumption will show little decrease. The dressed weight equivalent of our net exports of pork during the first 9 months of this year amounted to approximately 1,317 million pounds, as compared with 1,852 million pounds in 1924 and 2,014 million pounds in 1923. Expressed in hog carcasses of the average weight obtained the past four years, the decrease represents the equivalent of 3 million as compared with 1924 and 4 million compared with 1923. Our actual shortage of hogs for domestic consumption as compared with 1924, therefore, would not exceed more than one-half million head. If the present crop of hogs is fed to heavier weights, as seems likely with the present favorable corn-hog ratio, the shortage of pork products may be eliminated entirely.

C. A. Burmeister,
Marketing Livestock, Meats and Wool Division, B.A.E.

THE SITUATION IN VARIOUS KEY STATES

(From Reports of State Statisticians of this Bureau)

TEXAS - Good harvest weather has been badly needed to save the crops. Continued rains and exceptionally early freezing weather have done considerable damage, particularly to quality of late farm produce. Since the weather has cleared, cotton, corn, grain sorghums, peanuts, sweet potatoes, sugarcane, broomcorn, hay and rice are being harvested rapidly.

While the sowing of wheat, oats, barley, and rye has been retarded by heavy rains, the early sown is doing very well and already affording excellent pasturage. In many instances, cotton is turning out much better than expected, a not unusual occurrence in a dry year; however, the late crop in the northwest was badly damaged and thousands of bales were lost by the low temperatures in October. Late-planted grain and feed crops in the drought area have done well, in a measure supplying the losses of the summer. Late rice has suffered considerable damage from the rains.

The movement of citrus fruit and vegetables from the Rio Grande Valley has begun. Fall tomatoes, spinach and peppers are doing well, and the transplanting of onions is going on. It is expected that the peak of the vegetable movement will be later than usual as a result of the delay in planting from heavy rains and high water.

Cattle, sheep and goats are going into the winter in good condition. Hogs and sheep are in good demand while both beef and dairy cattle have tended upward in price this fall. Turkey dressing started early in November. The birds are of good quality but smaller than usual, and many will be held for the Christmas market. Warehouse stocks of figs are lower than at this time last year. There is a growing demand for the preserved product.

Business in most of the State has settled down to a steady basis. In the country collections are draggy owing to the recent heavy rains and to a tendency to hold produce for a better market. Much hay has been shipped in from other States, and in February and March there should be an increased demand for grain when farming operations get well started. The large small-grain acreage has stimulated the sales of drills, and row-binders have been sold in large numbers to take care of the late bundle-crops. Logging operations have been retarded by the rains slowing up both production and shipments. Retailers are buying lumber very

conservatively, yet building operations in the larger Texas cities are considerably in advance of last year's. Heavy roads have slowed down the sale of cement, but the demand is becoming good again. Thousands of barrels are being shipped by water to Florida on account of the rail embargo there. -- H. H. Schutz.

THE AGRICULTURAL SITUATION.

A BRIEF SUMMARY OF ECONOMIC CONDITIONS

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.



December 1, 1925.

HIGHER FOODS - LOWER FEEDS

Broadly speaking, the food and fiber crops are faring relatively better in the markets this fall than are the feed crops. The consuming world seems to have greater purchasing power for agriculture's finished products than does agriculture for its own raw materials. Wheat, potatoes, fruit, and cotton, for example, are selling at price levels relatively above corn, hay, oats, and barley. Many corn growers, in particular, are facing an unprofitable outcome on their chief money crop.

Nor is this situation a product of ill adjustments in acreage. Corn acreage last spring was increased 1.5 per cent over 1924, then the weather increased the crop by nearly 600 million bushels, but even so it is only about an average crop. Potato acreage was reduced 5.7 per cent and then the weather slashed the crop 100 million bushels below last year. Cotton acreage was increased 9 per cent and the weather boosted the crop about 1 2/3 million bales. Consumers are apparently able to bid for potatoes; cotton exports in October nearly doubled over previous Octobers; but where are the bidders for corn?

The livestock situation pieces out the picture. Hog production, which can most readily respond, is evidently under some stimulus this fall. But cattle have not moved into the feed lots in the volume that low corn prices might suggest and the eastern dairy industry, as indicated by returns from the new census, has reduced numbers, especially of young stock. In short, the present levels of price advantage lie first with food and fiber crops, next with the animals that are quick converters of grain, and least with the feed grains and roughage.

In general, agriculture is in the markets this fall with a well adjusted output of products. It is selling to as prosperous a domestic community as we often see. But even this combination of circumstances is bringing farmers a purchasing power decidedly short of parity with industrial groups. Discouragement seems to center more or less in the Corn Belt.

KEY REGIONS AT A GLANCE

THE EAST - Field work wound up for winter except for some plowing and belated corn husking. Some potatoes caught in ground by cold snap last month. New census figures reveal reductions in dairy young stock, a development that will affect production a year or two hence. Young stock in New England around 25 per cent below 1920 numbers; similar reduction in New York.

THE SOUTH - Cotton picking nearing end. Rains last month delayed harvest and lowered grade of considerable cotton in fields. Bad weather likewise been a handicap to truck planting. Early truck crops making fair progress. Winter cereals and pastures doing well as a rule. Cotton Belt generally stands to show fairly profitable season outside of drought regions of extreme east and west.

CORN BELT - Much discouragement at low price of corn among men who grow it as a money crop. Movement of stocker and feeder cattle to feed lots surprisingly light. Many short fed cattle moving back to market. Apparently disposition to feed hogs to heavier weights. Region taking note of decline in pork exports, however. General sentiment not as optimistic as was forecasted earlier from improvement in livestock prices.

WHEAT BELT - Closing up outdoor work on feed crops. Some plowing in north. Winter wheat growing and stooling well; looks fine, even in southwest where it is finishing much needed pasture. Movement of grain to market has tapered off as usual, but partly due to bad roads and weather. Wheat Belt generally reflects further improvement in financial conditions except where crop failed.

RANGE COUNTRY - Much stock on feed in north but winter ranges have been generally open and excellent from Wyoming southward. Beets and other irrigated crops harvested and mostly good. Some loss of alfalfa seed and beans in north. New census returns indicate only moderate reduction in cattle numbers since 1920. Difficulties of cattlemen lessened but by no means ended.

PACIFIC COAST - Whole region too dry, with consequent handicap to growth of winter wheat in north and planting of winter crops farther south. Streams low; pastures only fair. Harvest of beans, rice, etc. about over in California; cotton picking delayed somewhat by labor shortage. Picking navel oranges in central districts.

THE TREND OF CROP PRODUCTION

Millions of bushels:

	1925 Production (Preliminary)	1924 Production	Production 5-Year Av. 1920-1924
Winter wheat	416	590	592
Spring wheat	281	283	245
All wheat	697	873	837
Corn	3,013	2,437	2,935
Potatoes	347	455	418
Cotton (bales)	15.29	13.6	10.9
Apples	171	179	181

MOVEMENT TO MARKET

Movement of grain relatively light during October (partly due to very bad weather).

Movement of hogs somewhat lighter and cattle and sheep about like same month in recent years.

Butter movement a little heavier than in recent years.

Receipts at primary markets, in terms of thousands:

	Wheat Th.bu.	Corn Th.bu.	Hogs Thousands	Cattle Thousands	Sheep Thousands	Butter Th.lbs.
1924, Oct.	83,090	17,950	3,990	2,737	3,295	42,220
1925 "	34,111	12,187	3,390	2,789	3,198	43,806

EXPORT MOVEMENT

The significant features in the export situation are the very small movement of wheat, the shrinkage in pork products, and the remarkably heavy movement of cotton.

Exports in terms of millions (cotton in thousands):

	Wheat, bu. inc. flour	Tobacco lbs.	Bacon, Hams & Shoulders, lbs.	Lard lbs.	Total Meats lbs.	Cotton run. bales
1924, Oct.	53	56	45	61	53	942
1925, "	9	53	31	45	37	1,414
1923, 12 mos.	172	474	829	1,035	958	5,279
1924, " "	238	546	638	944	730	6,796

COLD STORAGE SITUATION

Country drawing on its stored stocks of dairy products and eggs.

Stocks of pork products also showed a seasonal reduction during October, while beef and lamb showed some seasonal increases.

Stored stocks of dairy and poultry products above average; meats below average.

November 1 holdings in terms of millions:

	<u>5-Year Average</u>	<u>Month Ago</u>	<u>November 1, 1925</u>
Creamery butter, lbs.	93	114	95
Case eggs, cases	5,171*	8,612*	6,320*
Total beef, lbs.	70	41	48
Total pork, lbs.	428	467	392
Total meats, lbs.	568	562	486

PRICES AND PURCHASING POWER

Lower prices of cotton, wheat, corn and oats during October are responsible for a slight drop in the general index of farm prices. With farm prices at 143 and non-agricultural wholesale prices at 164, the purchasing power of farm products for October stood at 87, the lowest this year and exactly where it stood a year ago.

Farm prices for November are not yet available, but market price movements indicate that the loss of 7 per cent in the relative exchange value of farm products during the past two months has not been regained. Still lower prices of cotton and corn during November largely offset the seasonal advances in dairy and poultry prices.

BUSINESS SITUATION

So far as fundamental conditions go, well-informed men still judge the business outlook as strong and healthy. Production of basic commodities is heavy; distribution is active; retail trade is strong. The building boom is still on, though not quite so rampant as a year ago. There are, however, some surface indications of another nature. The securities markets have reacted sharply from their speculative peak; several Federal Reserve Banks have raised their rediscount rates; the coal industry is upset; the building trades in several cities are talking strike or higher wages. But for the present, the picture is one of continued industrial prosperity.

Agriculture continues to meet resistance in the high level of industrial wages and charges. The domestic market is a good one to sell in but a hard one for farmers to buy in.

Thousands, or three figures, omitted.

13 1326 ①

